Flossbach von Storch

CATEGORY: BONDS AND CONVERTIBLES
Data as per 30 June 2025

Flossbach von Storch - Bond Defensive - HT

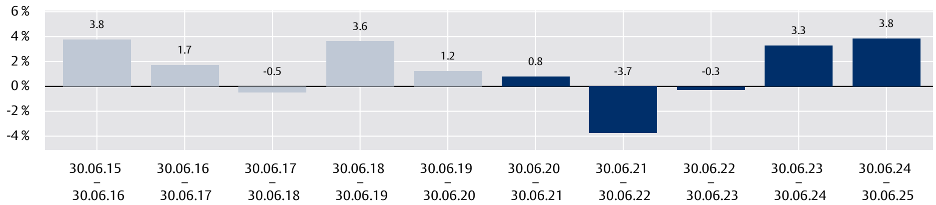
INVESTMENT STRATEGY

Flossbach von Storch - Bond Defensive is a globally diversified bond fund. The objective of the Fund Management is to generate the most stable possible returns for investors over time. The focus of the Fund is on government bonds, covered bonds, and investment-grade corporate bonds. The Fund flexibly takes advantage of the opportunities in the entire bond market; this distinguishes it from pure corporate bond or government bond funds. Foreign currency risks are largely hedged. Securities are selected within the framework of a fundamental analysis process. The Fund Management relies on research instruments and valuation models developed in-house.

The Sub-Fund is actively managed and not benchmarked against an index. The portfolio is composed by the fund manager exclusively in accordance with the criteria defined in the investment policy, reviewed regularly and adjusted if necessary. The Sub-Fund is categorized as an Article 8 product within the meaning of the Disclosure Regulation (EU) 2019/2088 (SFDR).

For detailed information on the objectives and investment policy, please refer to the most recent sales prospectus and the Key Information Document (PRIIP-KID).

ANNUAL PERFORMANCE IN EUR (IN %)²



Share class (gross)
Share class (simulated)²

PERFORMANCE IN EUR SINCE 1 OCTOBER 2013 (GROSS, IN %)²

ACCUMULATED AND ANNUALISED PERFORMANCE IN EUR (GROSS, IN %)²

	1 month	2025 YTD*	2025 YTQ*	1 year	3 years	5 years	10 years	since 01.10.13
Accumulated	+0.0 %	+1.7 %	+1.7 %	+3.8 %	+6.9 %	+3.7 %	+14.3 %	+25.3 %
Annualised				+3.8 %	+2.3 %	+0.7 %	+1.3 %	

Source: Depositary and Flossbach von Storch, status: 30.06.25

EXPLANATORY NOTES REGARDING PERFORMANCE

Gross fund performance (BVI method) takes into account all costs incurred at fund level (for example, management fees), net fund performance also takes into account the subscription fee. Further costs may be charged individually at customer level (e.g. custody fees, commissions and other charges). Example calculation (net method): An investor wishes to buy shares with capital of €1,000. Based on a maximum subscription fee of 5 %, € 50 will be deducted from their investment as a one-off initial charge. In addition, custody fees may also be applied, which will further reduce the investor's return. The level of custody fees can be found in your bank's schedule of fees and services. **Please refer to the cost details presented in this document to determine the maximum subscription fee for the share class of the sub-fund.** The reference index is merely informative. It does not constitute any obligation from the fund manager to track the index or achieve the same performance. **Past performance is not a reliable indicator of future performance.**

FUND DETAILS

Securities ID No. (WKN)	A2P9FU
ISIN	LU2207302121
Valor number	56089254
Domicile	Luxembourg
SFDR Category	Article 8
Share class	HT
Fund currency	EUR
Share class currency	EUR
Launch date	22 July 2020
Financial year end	30 September
Income utilisation	Accumulating
Authorised for distribution	AT, CH, DE, LI, LU
Fund type	UCITS / FCP
Fund assets	EUR 577.29 million
Redemption price	EUR 103.22
Minimum initial investment	none
Minimum subsequent investment	none
Costs¹	
Ongoing charges	0.58 % p.a.
which includes a management fee of	0.42 % p.a.
Transaction costs	0.10 % p.a.
Performance fee	none
Redemption fee	0.00 %
Exchange commission (based on the unit value of the units to be purchased for the benefit of the relevant distributor)	0.00 %
Subscription fee	0.00 %

MANAGEMENT COMPANY

Flossbach von Storch Invest S.A.
2, rue Jean Monnet
2180 Luxembourg, Luxembourg
www.fvsinvest.lu

DEPOSITARY

BNP PARIBAS, Succursale de Luxembourg
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¹ In addition to the management fee, the fund is charged further costs such as transfer agent fees, transaction costs, and various other charges. Further information about ongoing and one-off costs can be found in the key information document (PRIIP-KID), the sales prospectus, and the most recent annual report.

² Until 22 July 2020, the performance was simulated using the performance of the I share class (LU0952573052) of the Flossbach von Storch - Der erste Schritt sub-fund. Any differences in the remuneration structure were taken into account in the simulation. Both the I share class and the HT share class have the same investment policy. As of 23 June 2023, the sub-fund "Flossbach von Storch – Der erste Schritt" has been renamed "Flossbach von Storch – Bond Defensive". The investment strategy was changed as of 30 September 2023.

* YTD: Most recent month-end performance since the beginning of the year
YTQ: Performance since the beginning of the year to the end of the most recent quarter

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TOP 10 GUARANTORS OVERALL FUND LEVEL (IN %)

1.	Republic of Germany	12.30 %
2.	Kingdom of Spain	9.19 %
3.	Kingdom of Belgium	6.61 %
4.	Republic of France	5.19 %
5.	Republic of Austria	5.05 %
6.	Republic of Finland	4.46 %
7.	Kingdom of the Netherlands	4.18 %
8.	European Union	3.80 %
9.	Rhineland-Palatinate, State	2.45 %
10.	Nestlé S.A.	2.34 %
Total		55.57 %

Source: Depositary and Flossbach von Storch, status: 30.06.25

The portfolio currently contains 115 securities.

CREDIT RATING FOR BONDS (IN %)

AAA	41.83 %
AA	28.93 %
A	21.31 %
BBB	7.93 %

Source: Depositary and Flossbach von Storch, status: 30.06.25

A simplified ratings scorecard is used when determining the rating. Trends (+/-) are not taken into account in this process. Convertibles are not considered.

KEY FUND FIGURES

Average Yield to Maturity	2.15 %
Duration	2.18 years

Source: Depositary and Flossbach von Storch, status: 30.06.25

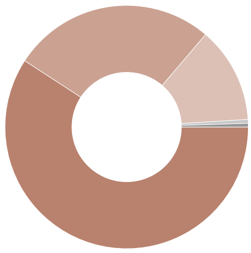
TOP 10 SECTORS (IN %)*

1.	Consumer Discretionary	22.77 %
2.	Consumer Staples	19.60 %
3.	Health Care	15.51 %
4.	Utilities	13.22 %
5.	Information Technology	9.59 %
6.	Materials	9.48 %
7.	Industrials	6.75 %
8.	Energy	3.08 %
Total		100.00 %

Source: Depositary and Flossbach von Storch, status: 30.06.25

* refer to corporate bonds

ASSET ALLOCATION (IN %)



59.18 % Government bonds
27.06 % Corporate bonds
12.76 % Covered bonds
0.52 % Cash
0.48 % Other (incl. derivatives)

Source: Depositary and Flossbach von Storch, status: 30.06.25

FUND MANAGEMENT

Marcel Bross
Fund manager
at Flossbach von Storch since 2021.

Team Fixed Income

Deputy and operational collaboration is conducted through our Fixed Income Team.

MONTHLY COMMENTARY

In June, the global bond markets once again presented a varied picture, with some of the yield movements of the previous month being revised. While US bonds (currency-hedged) performed positively, euro bonds saw a slight consolidation. The ECB lowered its deposit rate again by 25 basis points (bps) to 2%, thereby reaching the middle of its neutral key interest rate range of 1.75-2.25%. At the same time, ECB President Christine Lagarde hinted that the cycle of interest-rate cuts could be largely over for the time being – this caused some disillusionment for euro bonds. Looking ahead, however, large parts of the ECB Governing Council are concerned about further growth risks – and are open to an accommodative monetary policy stance with further easing. In a monthly comparison, the yield on five-year German Bunds was around 10 bps higher. On the other side of the Atlantic, however, surprisingly 'dovish' comments from Fed members Waller and Bowman pushed US yields lower by opening the door wide for further near-term easing. The yield on five-year US Treasuries was thus around 16 bps lower month-on-month. The geopolitical escalation in the Middle East only had a brief impact on the bond market and risk sentiment. The risk premiums on corporate bonds widened only temporarily and were even slightly narrower compared to German Bund bonds on a monthly comparison. In the portfolio, we used the setbacks on the bond market in the middle of the month to make additional purchases, both in euro bonds and in US securities – and moderately increased the portfolio duration to around 2.15 years (slightly above the centre of our control band). We also selectively took advantage of opportunities on the primary market to realise new issue premiums.

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OPPORTUNITIES

+ Participate in global bond market growth.
+ Income can be generated from regular interest payments.
+ Active interest rate, currency and risk management (e.g. from the use of derivatives).

RISKS

- The securities in which the Management Company invests the sub-fund assets present opportunities for gain but also the possibility of risk. ESG criteria can restrict the selection of target investments in terms of category and number, sometimes considerably. If a sub-fund invests directly or indirectly in securities and other assets, it is subject to many general trends and tendencies, which are sometimes attributable to irrational factors on the markets particularly on the securities markets. Losses can occur when the market value of the assets decreases as against the cost price. If a unitholder sells units of the sub-fund at a time at which the value of assets in the sub-fund has decreased compared with the time of the unit purchase, he will not receive the full amount he has invested in the sub-fund. Despite the fact that each sub-fund aspires constant growth, this cannot be guaranteed.
- Country, credit and issuer liquidity risk. Also potential exchange rate risks. If securities are illiquid (i.e. thinly traded), there is a risk that it may either not be possible to sell the assets at all or only by accepting a significant discount on the sale price.
- Investing in bonds may entail price risks, especially in case of rising interest rates on the capital markets.
- Where used, derivatives can have a greater negative impact on the fund value than would be the case if the assets were acquired directly. This can affect the fund's risk profile and volatility (tendency for the price to fluctuate).

Please read the Prospectus and particularly the RISK WARNINGS section and the specific annex of the subfund to understand the risks and benefits of this product.

INVESTOR PROFILE

CONSERVATIVE:

The fund is appropriate for conservative investors. Due to the composition of the net sub-fund assets, there is a moderate degree of risk but also a moderate degree of profit potential. The risks may consist in particular of currency risk, credit risk and price risk, as well as market interest rate risks.

INVESTMENT HORIZON:

Medium-term: 3 to 5 years

RISK INDICATOR

Lower risk ←→ Higher risk

1	2	3	4	5	6	7

The risk indicator assumes you keep the product for 3 years. The actual risk can vary significantly if you cash in at an early stage and you may get back less. The summary risk indicator is a guide to the level of risk of this product compared to other products. It shows how likely it is that the product will lose money because of movements in the markets or because we are not able to pay you. We have classified this product as 2 out of 7, which is a low risk class. This rates the potential losses from future performance at a low level, and poor market conditions are very unlikely to impact our capacity to pay you.

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The units/shares issued by this fund may only be offered for purchase or sold in jurisdictions in which such offer or sale is permitted. Accordingly, the units/shares of this fund must not be offered for purchase or sold neither within the USA nor to or for the account of US citizens or US persons domiciled in the USA. Additionally, the units/shares issued by this fund must not be offered for purchase or sold to "US-Persons" and/ or entities, which are owned by one or more "US-Persons" based on the definitions set out in the "Foreign Account Tax Compliance Act (FATCA)". This document and the information contained herein must not be distributed in the USA. The distribution and publication of this document as well as the offer or sale of the fund's units/shares may also be subject to restrictions in other jurisdictions.

The latest net asset value (NAV) of the fund can be obtained from the management company's website.

Past performance is not a reliable indicator of future performance.

The document issued in German is legally binding. This English translation is only for the purpose of convenience.

A comprehensive glossary of topics and terms (in German) can also be found at http://www.flossbachvonstorch.com/glossar/.

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